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# Foreign CROPS AND MARKETS



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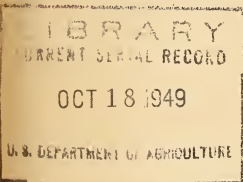
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UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF FOREIGN AGRICULTURAL RELATIONS  
WASHINGTON 25, D.C.

FOR RELEASE

MONDAY

OCTOBER 10, 1949



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L A T E      N E W S

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The British Ministry of Food and agricultural representatives from Denmark recently reached an agreement whereby 3,000 tons of frozen Danish pork will be shipped to the United Kingdom between now and December 31, 1949. According to the report, no fresh or frozen pork has been shipped from Denmark to Britain since 1926.

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In Australia, according to an airgram from official sources, approximately 375,000 bales of wool from the current season's clip and from the carryover of the previous season have been offered at auctions in mainland capital cities and Newcastle since August 29. At the opening day's sales in Sydney on August 29, prices for average to good lines of fleece were from 5 to 7½ percent higher and skirtings from 7½ to 10 percent above closing June rates in that center. However, prices were somewhat lower than at the opening sales of the previous season, the average price for greasy wool at the first series of sales in Sydney from August 29 to September 1, 1949 being 41.3d. per pound (55 cents), as compared with 44.7d per pound (60 cents) at the opening series in the 1948-49 season.

As auctions proceeded the opening rates of the 1949-50 season were not maintained and by mid-September average prices were from 10 to 12½ percent lower than those of the opening day. The decline was most pronounced on the broader fibered lines and wools carrying heavy vegetable fault. At September 19 to 21 auctions, following the devaluation of the pound, prices for good fleece wools were 10 to 12½ percent higher and rates for broader fibered types and lines carrying heavy vegetable fault were 5 to 7½ percent above those of the previous week.

Throughout auctions of the current season, demand generally has been well sustained and clearances excellent. The United Kingdom and European countries have purchased the bulk of the offerings. However, there has been some buying by Australian mills and some on behalf of Japan, and purchases of comeback and crossbred wools were made for Russia at the Melbourne auctions. Generally, the types of wool offerings early in the season are not suited to the requirements of the United States so that purchases by American buyers have been small.

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**FOREIGN CROPS AND MARKETS**

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## WORLD BARLEY AND OATS CROPS BELOW PREWAR AVERAGE

World production of barley and oats in 1949 is expected to total about 118 million short tons, according to the latest information available to the Office of Foreign Agricultural Relations. This would be about 7 percent below the 1935-39 average of 126.5 million tons and 5 percent less than the total for 1948. Estimates of 2,280 million bushels of barley and 3,950 million of oats for the current crop include preliminary forecasts for production in the Southern Hemisphere, where the growing crops are in an early stage of development. The smaller world outturn is attributed mainly to a reduction in the area under these crops, with yields estimated to be at the prewar level.

## BARLEY AND OATS: Estimated world production by continents, 1949 with comparisons

Continent	: Average : : 1935-39 :	: 1947 :	: 1948 :	: 1941 1/2 :	: 1949 as : percent of : average :	: 1949 as : percent : of 1948 :
	: Million : bushels :	: Million : bushels :	: Million : bushels :	: Million : bushels :	: Percent :	: Percent :
<u>Barley</u>						
North America	: 331 :	: 428 :	: 478 :	: 364 :	: 110 :	: 76 :
Europe.....	: 667 :	: 556 :	: 635 :	: 665 :	: 100 :	: 105 :
U.S.S.R. ....	: 425 :	: 310 :	: 320 :	: - :	: - :	: - :
Asia.....	: 763 :	: 710 :	: 760 :	: 730 :	: 96 :	: 96 :
Africa.....	: 121 :	: 104 :	: 127 :	: 135 :	: 112 :	: 106 :
South America..	: 38 :	: 58 :	: 46 :	: 46 :	: 121 :	: 100 :
Oceania.....	: 13 :	: 24 :	: 19 :	: 21 :	: 162 :	: 111 :
Total.....	: 2,358 :	: 2,190 :	: 2,385 :	: 2,280 :	: 97 :	: 96 :
<u>Oats</u>						
North America	: 1,384 :	: 1,480 :	: 1,852 :	: 1,637 :	: 118 :	: 88 :
Europe.....	: 1,611 :	: 1,184 :	: 1,356 :	: 1,345 :	: 83 :	: 99 :
U.S.S.R. ....	: 1,165 :	: 860 :	: 780 :	: - :	: - :	: - :
Asia .....	: 96 :	: 79 :	: 96 :	: 84 :	: 88 :	: 88 :
Africa.....	: 22 :	: 23 :	: 22 :	: 25 :	: 114 :	: 114 :
South America	: 62 :	: 57 :	: 58 :	: 48 :	: 77 :	: 83 :
Oceania.....	: 27 :	: 55 :	: 36 :	: 31 :	: 115 :	: 86 :
Total.....	: 4,367 :	: 3,738 :	: 4,200 :	: 3,950 :	: 90 :	: 94 :

1/ Preliminary estimates. 2/ Includes estimate for missing data.

Barley acreage was better maintained than oats, which is estimated to be 10 percent below the prewar average. All of the acreage reduction is seen totals for continental Europe and the Soviet Union, where a shift from oats appears to have taken place. Those are, of course, the only areas growing significant quantities of oats, except North America, where acreage was larger than in 1935-39.

BARLET: Acreage, yield per acre, and production in specified countries, year of harvest, averages 1935-39 and 1940-44, annual 1947-49  $\frac{1}{2}$

Continent and country	Acreage 2/					Yield per acre 3/					Production				
	Average		1947		1948	Average		1947		1948	Average		1947		1949 $\frac{1}{2}$
	1935-39	1940-44	1,000	acres		1935-39	1940-44	1,000	acres		1935-39	1940-44	1,000	acres	
<b>NORTH AMERICA</b>															
Canada.....	4,291	6,461	7,465	6,017		20.7	27.4	18.9	23.9		88,882	176,950	141,372	155,018	125,059
Mexico.....	374	391	423	418		10.6	13.2	13.6	13.2		3,950	5,171	5,170	5,182	5,787
United States.....	10,817	14,392	11,014	12,046	10,019	22.1	23.7	25.5	26.3	23.3	238,622	340,464	281,185	317,071	233,395
Estimated total 5/.....	15,480	21,250	18,900	18,960	16,460	-	-	-	-	-	331,000	522,000	428,000	478,000	364,000
<b>EUROPE</b>															
Austria.....	401	353	300	285		32.6	30.1	20.7	27.4		13,087	11,520	6,200	7,800	9,600
Belgium.....	74	137	237	210		48.2	47.6	52.4	52.4		3,570	6,525	10,000	11,000	10,672
Bulgaria.....	676	544	725	1,450		25.7	18.8	16.6	-		17,400	10,200	12,000	-	-
Czechoslovakia.....	1,600	1,450	1,450	1,450		25.3	23.4	25.5	23.3		51,800	55,084	37,000	42,500	48,000
Denmark.....	946	1,152	1,096	1,096		55.9	56.0	53.0	61.1		52,821	61,035	7,441	8,500	6,300
Eire.....	372	146	120	146		45.3	53.1	42.2	34.2		5,433	7,441	7,800	6,500	6,300
Finland.....	281	269	269	269		21.7	21.7	21.9	21.9		5,008	6,373	5,000	5,800	5,800
France.....	1,897	1,790	2,367	2,027		27.5	25.7	23.2	28.8		51,008	42,500	55,000	58,404	64,550
Germany.....	3,120	490	-	525		41.7	14.7	13.6	-		130,000	6,400	-	10,375	8,391
Greece.....	525	1,255	1,300	620		25.9	24.3	16.9	-		30,355	30,000	22,000	-	-
Hungary.....	1,165	575	600	620		20.9	17.7	14.3	17.7		9,950	10,200	8,584	11,000	10,800
Italy.....	1,071	1,091	1,691	1,321		55.5	51.8	48.4	49.2		5,934	5,642	8,175	6,500	8,423
Netherlands.....	126	103	91	104		36.2	26.4	38.8	45.0		5,467	3,330	4,000	4,096	3,945
Norway.....	2,570	-	-	-		29.6	-	-	-		76,000	-	-	-	-
Poland.....	320	320	306	306		12.8	-	12.5	13.2		4,100	-	4,042	4,048	4,562
Portugal.....	2,030	1,620	-	-		13.8	15.3	-	-		28,000	24,300	-	-	-
Romania.....	4,549	4,075	3,775	3,850		21.3	18.4	18.5	20.3		37,099	75,000	70,000	78,000	79,000
Sweden.....	295	280	247	217		39.5	34.4	32.7	40.8		9,951	8,951	8,082	8,860	8,116
Switzerland.....	13	53	67	68		33.1	40.3	37.6	40.3		4,350	2,136	2,522	2,499	2,459
United Kingdom.....	1,600	2,060	2,060	2,060		39.2	40.3	36.7	45.4		36,596	66,163	75,530	94,593	92,167
Yugoslavia.....	1,015	1,060	-	-		16.0	16.8	-	-		60,000	10,000	-	-	-
Estimated total 5/.....	21,250	23,040	23,120	22,790	-	-	-	-	-	-	607,000	610,000	595,000	635,000	665,000
<b>U.S.S.R. (Europe and Asia).....</b>	26,600	-	20,500	21,500	-	16.0	-	15.1	14.9	-	425,000	-	310,000	320,000	-



ASIA														
Iran.....	1,545	1,567	1,700	1,700	1,768	23.1	21.5	21.0	23.0	17.0	5/	35,728	33,735	39,040
Iraq.....	1,922	2,620	2,100	1,540	1,653	11.6	10.3	13.8	17.0	18.9	23,655	27,100	29,000	
Lebanon.....	571	88	54	54	49	8/	14.0	21.3	22.6	21.1	1,234	1,148	1,222	
Pakistan.....	571	461	902	844	8/	19.4	17.8	11.5	16.6	-	3,238	3,579	-	
Syria.....	4,522	4,822	4,302	4,670	3,700	20.9	17.6	15.9	19.3	14.9	9,129	11,589	14,015	
Turkey.....	16,000	14,200	15,818	15,505	15,749	21.7	22.4	22.0	22.0	22.4	347,000	308,200	341,783	
China.....	353	237	-	-	18.3	15.6	22.5	15.9	15.6	-	6,462	5,300	5,000	
Manchuria.....	5,123	5,918	7,082	7,446	7,650	15.6	15.3	12.5	12.8	15.8	90,253	90,522	112,653	
Indian Union 2/.....	486	346	490	448	346	14.2	13.9	12.5	12.8	-	7,047	7,588	6,155	
Pakistan 2/.....	1,858	2,097	1,868	2,174	2,234	34.6	31.1	29.3	29.5	29.9	65,402	65,283	47,231	
Japan.....	2,620	2,620	2,620	2,620	2,620	20.6	20.6	-	-	-	55,096	54,000	66,781	
Korea.....	31,674	37,070	38,290	38,370	37,560	19.5	20.6	-	-	-	75,000	75,000	70,000	
Estimated total 5/.....														
AFRICA														
Algeria.....	3,051	2,714	1,800	2,500	2,600	10.9	8.8	9.4	16.4	17.3	33,132	23,836	17,000	
Egypt.....	276	331	560	1,060	1,060	38.8	35.2	37.7	32.8	36.2	10,571	11,622	8,250	
French Morocco.....	4,448	5,110	3,850	3,650	4,109	12.0	9.6	11.2	12.8	12.6	59,579	90,691	60,000	
Tunisia.....	1,122	1,180	984	1,239	1,530	17.7	14.8	12.9	13.5	11.4	3,555	3,679	4,253	
Union of South Africa.....	16/	86	90	80	16/	18.4	15.1	18.4	17.7	-	121,000	107,000	104,000	
Estimated total 5/.....														
SOUTH AMERICA														
Argentina.....	1,286	1,090	1,630	1,700	-	17.6	22.8	24.5	16.5	-	22,586	24,805	40,000	
Chile.....	184	122	154	164	130	27.4	28.3	32.0	24.1	-	5,041	3,453	4,970	
Uruguay.....	144	54	52	77	-	14.8	12.8	10.0	15.5	-	649	593	521	
Estimated total 5/.....														
OCEANIA														
Australia.....	648	610	839	1,040	-	18.0	15.7	25.9	16.3	-	11,651	9,590	21,725	
New Zealand.....	24	32	63	56	-	39.7	36.7	34.5	37.2	-	952	1,175	2,083	
Total.....	712	642	902	1,096	1,110	-	-	-	-	-	12,603	10,765	23,900	
Estimated world total 5/.....														
1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1949 is combined with preliminary forecasts for the Southern Hemisphere harvests which will begin late in 1949 and end early in 1950. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown, except for incomplete periods. 4/ Preliminary estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals, which in the case of production, are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Average of less than 5 years. 7/ Figure for 1935 only. 8/ Estimates for Syria and Lebanon not shown separately during this period. 9/ Estimates for reporting areas only. Allowances for non-reporting areas, not shown, are included in estimated total for Asia.														

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OATS: Acreage, yield per acre, and production in specified countries, year of harvest, averages 1935-39 and 1940-44, annual 1947-49 1/2

Continent and country	Acreage 2/			Yield per acre 3/			Production		
	Average 1935-39	1940-44	1947	Average 1935-39	1940-44	1947	Average 1935-39	1940-44	1947
	acres	acres	acres	bu./acre	bu./acre	bu./acre	bu./acre	bu./acre	bu./acre
<b>NORTH AMERICA</b>									
Canada 5/	13,246	13,614	11,048	11.369	25.5	28.3	336,071	463,044	278,670
United States	35,761	38,075	38,457	40.191	31.8	31.2	1,418,455	1,212,148	1,199,402
Estimated total 6/	49,007	51,689	49,505	52.080	29.2	29.8	1,754,526	1,675,192	1,478,072
<b>EUROPE</b>									
Austria	686	567	550	555	41.9	37.0	28,746	21,000	16,500
Belgium	548	390	618	515	74.7	70.2	40,946	27,367	41,500
Bulgaria	362	401	410	-	24.4	21.4	9,000	8,596	-
Czechoslovakia	1,830	-	1,510	1,511	46.4	35.4	85,000	-	53,500
Denmark	932	847	815	781	75.3	76.1	70,205	61,112	60,068
Eire	571	841	828	880	68.8	70.9	83.5	52,555	45,698
Finland	1,030	966	975	1,090	43.7	34.6	39,265	32,027	31,600
France	8,069	6,300	6,452	6,026	40.6	32.0	328,653	220,000	206,500
Germany	5,200	-	-	-	60.6	-	315,000	-	-
Holland	349	349	355	355	31.8	26.1	11,000	7,000	7,468
Poland	584	660	600	584	55.5	36.4	32,000	24,000	17,000
Portugal	1,690	1,371	1,175	1,156	22.9	20.4	38,190	34,400	32,263
Romania	65	56	82	51	14.8	14.2	2,469	2,572	2,093
Sweden	360	291	400	350	33.2	62.8	25,791	18,287	23,011
Switzerland	212	226	195	182	61.0	53.3	12,940	10,318	12,189
Norway	4,900	-	-	-	41.6	45.7	204,000	-	-
Poland	865	725	727	793	12.0	-	15,000	-	7,923
Romania	1,620	1,340	-	-	23.1	24.2	37,500	32,400	28,000
Spain	1,848	1,800	1,670	1,670	21.3	21.4	39,369	38,000	36,500
Sweden	1,611	1,308	1,210	1,246	53.1	39.4	87,198	58,136	46,722
Switzerland	28	83	85	77	96.9	60.2	5,905	5,119	4,499
United Kingdom	2,430	3,764	3,308	3,335	57.0	58.3	136,628	219,926	175,630
Yugoslavia	893	890	-	-	24.5	22.5	21,000	-	-
Estimated total 6/	34,520	32,790	32,160	32,160	24.5	22.5	1,611,000	1,460,000	1,360,000
<b>U.S.S.R. (Europe and Asia)</b>	49,500	-	35,500	36,500	23.5	24.2	11,155,000	-	860,000



<b>ASIA</b>														
Iran.....	1,545	1,567	1,700	1,700	1,762 <sup>1/2</sup>	23.1	21.5	21.0	23.0	17.0	17.0	33,735	35,636	39,040
Iraq.....	1,932	2,620	2,100	1,594	1,853 <sup>1/2</sup>	11.6	10.3	13.8	17.0	18.9	23.651	27,100	29,000	30,000
Lebanon.....	5	88	54	54	5	5	14.0	21.3	22.6	21.1	1.148	1,234	1,108	1,033
Pakistan.....	571	651	902	844	5	19.4	8.6	11.5	16.6	14.9	3,238	3,579	14,015	14,015
Syria.....	4,592	4,822	4,302	4,670	3,700	20.9	17.6	22.0	19.3	22.4	96,125	85,017	68,212	90,000
Turkey.....	16,000	14,200	15,818	15,505	15,766 <sup>1/2</sup>	21.7	21.7	22.0	22.0	22.4	347,000	347,865	341,178	340,000
Union of South Africa.....	353	237	237	237	18.3	18.3	22.4	22.4	22.4	22.4	6,462	5,300	5,300	5,300
Manchuria.....	5,723	5,918	7,082	7,446	7,650 <sup>1/2</sup>	15.6	15.3	15.9	15.6	15.8	90,253	90,552	112,653	121,000
Indian Union.....	486	546	490	441	546	34.5	33.9	32.5	32.5	29.9	7,047	7,586	6,109	6,155
Pakistan.....	1,888	2,097	1,868	2,174	2,234	14.5	13.9	12.5	12.8	29.9	65,402	65,283	47,231	64,199
Japan.....	2,674	2,620	2,620	2,620	19.5	20.6	20.6	20.6	20.6	20.6	52,095	54,000	54,000	54,000
Korea.....	37,874	37,070	38,200	38,370	37,560	19.5	20.6	20.6	20.6	20.6	753,000	715,000	710,000	760,000
Estimated total 5/.....														730,000
<b>AFRICA</b>														
Algeria.....	3,051	2,714	1,800	2,500	2,600	10.9	8.8	9.4	16.4	17.3	33,132	23,636	17,000	41,000
Egypt.....	276	331	280	240	185	38.8	35.2	31.7	33.8	36.2	10,697	11,682	8,250	8,100
French Morocco.....	4,448	5,130	3,890	3,650	4,107	12.0	9.8	15.6	16.0	12.2	53,279	50,889	60,000	56,500
Tunisia.....	1,182	1,180	988	1,339	1,570	7.7	4.8	4.6	3.5	11.4	9,048	4,593	4,593	17,453
Union of South Africa.....	353	237	237	237	18.3	18.3	22.4	22.4	22.4	22.4	6,462	5,300	5,300	5,300
Estimated total 5/.....	10,340	10,800	8,400	9,090	9,710	18.4	15.1	18.4	17.7	17.7	1,555	1,946	1,653	1,412
<b>SOUTH AFRICA</b>														
Argentina.....	1,286	1,090	1,630	1,700	1,762	17.6	22.8	24.5	16.5	16.5	22,566	24,805	40,000	28,000
Chile.....	184	184	184	184	130	27.4	27.4	32.0	24.1	24.1	5,041	3,453	4,930	3,994
Uruguay.....	2,144	1,910	2,600	2,670	2,680	14.8	12.8	10.0	15.5	15.5	689	683	521	1,184
Estimated total 5/.....														46,000
<b>OCEANIA</b>														
Australia.....	648	610	839	1,040	1,101	18.0	15.7	25.9	16.3	16.3	11,651	9,590	21,795	17,000
New Zealand.....	241	321	631	561	39.7	39.7	36.7	34.5	37.2	37.2	1,175	1,175	2,175	2,083
Total.....	672	642	902	1,096	1,110	18.0	15.7	25.9	16.3	16.3	12,826	10,765	23,970	19,083
Estimated world total 5/.....	116,620	115,030	112,630	113,770	111,750	18.0	15.7	25.9	16.3	16.3	12,358,000	12,325,000	12,390,000	12,385,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow them, as crop harvested in the Northern Hemisphere in 1949 is combined with preliminary forecasts for the Southern Hemisphere harvests which will begin late in 1949 and early in 1950. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown, except for incomplete periods. 4/ Preliminary estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals, which in the case of production, are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Average of less than 5 years. 7/ Figure for 1935 only. 8/ Estimates for Syria and Lebanon not shown separately during this period. 9/ Estimates for reporting areas only. Allowances for non-reporting areas, not shown, are included in estimated total for Asia.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of U.S. Foreign Service officers, results of office research, or other information. Prewar estimates for countries having changed boundaries have been adjusted to conform to present boundaries.

The increased acreage in North America, augmented by larger than average yields, resulted in a harvest 10 percent above the 1935-39 figure for barley and 18 percent above for oats. Compared with the large 1948 crop, however, both grains show substantial reductions. There was a striking gain over prewar average production for barley in Canada, with an increase of 40 percent since the earlier period. The full increase is due to larger area. Production of barley in the United States was slightly smaller than average and much below the 1948 harvest.

The increase in the Canadian barley acreage appears to have been accomplished as a shift from oats, for which acreage is down the approximate amount of the barley increase. The acreage of oats in the United States, however, shows a 13 percent increase over the prewar figure.

Europe's barley production was almost up to average and above the 1948 crop, according to present estimates. Greatly increased seedings especially in the United Kingdom, France, Denmark, Italy and Belgium largely balanced substantial reductions from prewar acreages in Germany, Spain, Rumania and Czechoslovakia. Yields per acre averaged only slightly less for the Continent than in 1935-39.

A large reduction noted in the European oats acreage was especially marked in France, Germany, Poland, Sweden and Czechoslovakia. Increases, though substantial in the United Kingdom and Ireland, were only in small part compensating for the large reductions elsewhere, which left the total about 4 million acres smaller than during the prewar-average period. Average yields for the Continent were indicated to be about 5 percent less than the prewar average.

Acreage of both barley and oats was estimated smaller than in 1935-39 for the Soviet Union. Average yields were also expected to be somewhat smaller than during that period. Final outturn or "barn yield" is reported to be reduced as a result of unfavorable conditions during and since the harvest period, with widespread rains in August affecting large quantities of cut grain still unstacked in the fields.

The barley harvest in Asia was smaller than average mainly because of below-average yields in some of the principal producing countries. Acreage for the area was only slightly below the 1935-39 figure. Reduction in yields was especially marked in Turkey, where an early severe winter cut the seeding period short and a spring drought caused considerable damage to the crop, which was not well rooted. In contrast, Iraq's crop was reported a record one, and a larger than usual surplus for export is expected. The oats crop in Asia, which is much less important than barley in this area, is also smaller than average.

Barley in Africa is estimated to be a little above average despite some reduction in area. Considerably above-average yield in Algeria and Tunisia account for a large part of the increased outturn. Oats production, which is of minor importance in the area is also slightly above average.

Prospects for coarse grains in South America are largely dependent on conditions during the growing season, since they are now in the early stages of development. The barley acreage is estimated to be somewhat above and oats below the prewar average. Assuming average yields on that acreage, the outturn of the two grains together would be slightly below the 1935-39 average.

Better than average crops are in prospect in Oceania, since acreage appears above average and present yield prospects are favorable.

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This is one of a series of regularly scheduled reports on world agricultural production approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. For this report, the Committee was composed of Joseph A. Becker, Chairman, Robert L. Gastineau, Judith E. Downey, C. M. Purves, Charalambos A. Stephanides, Tilmer O. Engebretson, and Stanley E. Bakewell.

#### WORLD COTTON STOCKS SLIGHTLY HIGHER

World cotton stocks on hand July 31, 1949, are estimated at 14,750,000 bales by the Office of Foreign Agricultural Relations. This is only 150,000 bales higher than the revised estimate for July 31, 1948. The 1949 figure includes about 1,700,000 bales of United States-produced cotton in stocks abroad or in transit compared with 1,300,000 a year ago. Adding domestic stocks, United States cotton in all countries amounted to around 6,900,000 bales in 1949 or 47 percent of the world total, compared with 4,300,000 or 30 percent of the total a year ago.

This increase reflects a tendency on the part of countries receiving cotton under the ECA and other export programs to increase consumption of United States cotton rather than a piling up of stocks.

The distribution of world stocks this year is quite different from that of a year ago. Stocks of 5,283,000 bales (including 64,000 bales of foreign-grown cotton) in the United States on July 31, 1949, were 2,200,000 bales higher than a year ago when 89,000 bales of foreign cotton were included. In foreign surplus-producing countries the aggregate of stocks was about 450,000 bales lower than in 1948. United States stocks include about 3,800,000 bales of 1948-crop cotton in Government possession which were under loan prior to August 1, 1949, and which are now pooled for sale by the Government for the borrowers' accounts. There was no cotton from previous crops in Government stocks at that time except 47 bales from the 1947 crop.

Stocks in the importing countries as a whole were down by 1,550,000 bales, a decrease of 22 percent, mostly in India and China.

COTTON: Estimated world stocks by principal countries,  
July 31, 1949 with comparisons 1/

(In bales of 500 pounds gross)

Country	Stocks on hand July 31			
	1939	1947	1948	1949
	1,000	1,000	1,000	1,000
	bales	bales	bales	bales
<b>Surplus Countries:</b>				
Mexico.....	150	279	100	128
United States <u>2/</u> .....	13,033	2,530	3,080	5,283
Haiti.....	5	8	3	1
Iran.....	40	24	13	11
India <u>3/4/</u> .....	2,165	3,880	<u>4/</u>	<u>4/</u>
Pakistan.....	-	-	55	79
Turkey.....	70	50	55	49
Argentina.....	243	405	439	467
Brazil.....	661	1,900	1,200	852
Paraguay.....	11	12	8	25
Peru.....	200	163	117	122
Anglo Egyptian Sudan.....	107	65	114	36
Belgian Congo.....	150	137	87	76
British East Africa.....	75	150	113	150
Egypt.....	325	1,354	878	875
French Equatorial Africa.....	15	30	85	60
Others <u>5/</u> .....	1,050	643	764	699
Total surplus countries....	18,300	11,630	7,111	8,913
<b>Deficit Countries:</b>				
Canada.....	56	110	81	50
Cuba.....	10	21	9	3
Belgium.....	150	128	125	87
Czechoslovakia.....	100	105	58	50
France.....	700	586	292	306
India.....	-	-	2,475	1,260
Italy.....	250	556	359	297
Netherlands.....	80	83	69	65
Spain.....	50	37	39	16
Sweden.....	60	78	79	68
Switzerland.....	100	99	91	61
United Kingdom.....	1,045	2,023	1,357	1,610
China, incl. Manchuria <u>3/</u> ....	900	1,230	900	450
Japan.....	556	181	235	<u>6/</u>
Korea.....	43	31	41	35
Colombia.....	5	60	52	62
Australia.....	20	75	88	29
Others <u>7/</u> .....	775	480	534	888
Total deficit countries....	4,900	5,883	6,884	5,337
Afloat <u>8/</u> .....	550	500	600	500
World total.....	23,750	18,013	14,595	14,750

1/ Estimates for Southern Hemisphere countries include unginned cotton on hand at the end of July. 2/ Running bales. 3/ Includes estimates for non-commercial stocks. 4/ Includes Pakistan prior to partition in August 1947. In group with deficit countries after 1947. 5/ Mostly U.S.S.R. and Mozambique. 6/ Included with "others". 7/ Mostly countries in Europe and South America not listed above. 8/ Estimated.



The United States and Egypt are the only producing countries that have any appreciable surplus of old-crop cotton available for export. Cotton entering export trade in 1949-50 from the other surplus countries must be drawn almost entirely from crops harvested in 1949. Brazil's stocks, estimated at 850,000 bales on July 31, 1949, are down by about 350,000 bales and contain a surplus for export in 1949-50 of only 200,000 to 300,000 bales. New crops to be harvested before next July will augment this amount to some extent although not much is available that early in the ginning season. Stocks in other surplus-producing countries of Latin America are comprised almost entirely of new-crop cotton in process of passing through gins, in ports, or in transit and are about equal to those of a year ago.

Egypt's estimated stock of 850,000 bales <sup>1/</sup> on July 31, 1949, was the same as a year ago and included an export surplus of about 750,000 bales. Government-held stocks on August 31, 1949, were officially reported at 256,000 equivalent 500-pound bales (practically all Karnak), compared with 373,000 a year ago. The remainder of the 639,000-bale carry-over reported on August 31 was in possession of the trade except for about 100,000 bales in mill stocks. Stocks in other parts of Africa were down by 80,000 bales to about 400,000. Since July 31 is about mid-season for these areas and there is no old-crop cotton on hand, most of the estimated stock is comprised of cotton from new crops either at gins or in ports awaiting shipment. Stocks in Pakistan, estimated at about 79,000 bales, were only 24,000 above last year's low level and little more than a working stock level for the domestic mill industry. A large part of the stock is reported to be of poor grade.

In the Union of India, a deficit cotton producing country since the partition in August 1947, stocks were down by 1,200,000 bales to about 1,260,000 which is hardly more than a working stock level. Stocks in China are difficult to estimate accurately under present wartime conditions. Incomplete data, however, indicate that coastal mill stocks were nearly exhausted by July 31 and total stocks in the country were below 450,000 bales compared with about 900,000 a year ago. Both estimates include stocks on farms and local collection centers. Stocks in Japan were considerably higher than those of a year ago and were sufficient to cover about 6-months' requirements at the present rate of consumption.

Stocks in Europe (excluding U.S.S.R.), estimated at 2,972,000 bales, are only 26,000 above the estimate for the beginning of the season. An increase of about 250,000 bales in the United Kingdom to 1.6 million was largely offset by minor decreases in Belgium, Italy, Poland, Spain, and Switzerland. Stocks in Europe, except those in the United Kingdom, were equal on the average, to only 3 months' mill requirements.

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<sup>1/</sup> Stocks actually in Egypt on this date were 105,000 bales less than this figure because that amount had been shipped but not cleared through customs. A year ago such shipments totaled 39,000 bales.



In Canada a stock of 50,000 bales was 31,000 below that of a year ago and sufficient for less than 2-months' mill requirements. In the cotton deficit countries of South America, stocks on July 31, 1949, were sufficient for about 7-months' mill requirements in Colombia, 8 months in Bolivia, and 2 months in Chile, Ecuador, Uruguay, and Venezuela. All of these countries except Chile and Uruguay produce some cotton and may have drawn an additional 1 or 2 months' supply from the local crops in August and September.

This is one of a series of regularly scheduled reports on world stocks of agricultural commodities approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. For this report, the committee was composed of Joseph A. Becker, Chairman, A. W. Palmer, Charles H. Barber, Glenn A. Ruggles, Dwight R. Bishop, Charalambos S. Stephanides, and Tilmer O. Engbretson.

## C O M M O D I T Y   D E V E L O P M E N T S

### TOBACCO

#### IRAN'S 1949 TOBACCO PRODUCTION SLIGHTLY HIGHER

Iran's 1949 harvest of leaf tobacco is forecast at slightly over 1 percent above the 1948 crop, according to the American Embassy in Tehran. The area planted to tobacco in 1949 was 9 percent above 1948, but the 1949 yield is expected to be lower.

The country's 1949 tobacco crop is forecast at about 22.6 million pounds. This compares with 22.3 million pounds in 1948 and the prewar, 1935-39, annual average of 34.5 million pounds. The 1949 production forecast includes 12.1 million pounds of cigarette tobacco, 7.2 million pounds of pipe tobacco, and 3.2 million pounds of tombac (water pipe tobacco).

IRAN: Area, yield per acre and production of tobacco, 1949  
with comparisons

Year	:	Area	:	Yield	:	Production
	:	1,000	:	Per Acre	:	
	:	<u>pounds</u>	:	<u>Pounds</u>	:	<u>pounds</u>
Average 1935-39	:	31,516	:	1,096	:	34,542
1948 . . . . .	:	35,450	:	628	:	22,262
1949 1/. . . . .	:	39,535	:	570	:	22,562

1/ Forecast.

Iranian Tobacco Monopoly.

The area planted to tobacco in 1949 is placed at 39,535 acres, as compared with 34,450 acres in 1948 and an annual average of 31,516 acres in the 1935-39 period. The average yield forecast for the 1949 crop is 570 pounds per acre. This compares with 628 pounds per acre in 1948 and the prewar average of 1,096 pounds per acre.

#### GRAINS, GRAIN PRODUCTS AND FEEDS

##### WORLD'S RICE OUTPUT MAY DROP IN CURRENT SEASON

World rice production in 1949-50 (August to July) may be from 2 to 4 percent less than in the preceding year, but only slightly below the prewar (1935-36/39-40) average, according to information available to the Office of Foreign Agricultural Relations.

The principal production decreases are expected in Asia which produces more than 90 percent of the world crop. Climatic conditions in the principal producing areas of Asia have so far during the growing season been less favorable than in 1948-49. Production in the exporting countries of Asia will be less than last year.

European output is expected to show a marked decline, while that of Africa may not vary widely from the preceding year's record. North American harvests, however, increased about 10 percent because of extended acreages and favorable weather. Present indications are that the prospective acreage of South America may approximate last year's, and with average weather conditions, there may be some increase in production.

July flood damage in China's major rice-producing area caused some reduction in that country's output. Korea's harvest is substantially less than last year because of dry weather, and a decrease is expected in the Philippines.

Rice production in each of Asia's exporting countries, Burma, Siam, and French Indochina, is expected to decline. Burma's acreage is estimated at about 80 percent of last year and approximately 65 percent of prewar. Dry weather in Siam at the outset of the season hindered plantings, but crop conditions improved in August.

India and Pakistan are encouraging an increase in acreage, and if average weather prevails during the remainder of the season, production in these countries may increase over 1948-49. Japan is expected to produce a crop about as large as last year and slightly below the prewar average.

European rice production may be 25 percent less than last year and 20 percent below prewar. The non-disposal of Italy's surplus from last year's crop caused a substantial decrease in acreage. Portugal's crop was reduced by a shortage of irrigation water and Spain's may be only slightly less.

Official statistics giving Egypt's acreage and production are not yet available. In some areas the acreage is reported larger than last year's record. Water supplies are reported ample, and the weather favorable. Acreages in the other rice-producing countries of Africa probably will be maintained at approximately the high level of last year.

The record 1949 rice crops of the United States and Mexico increased 11 and 10 percent, respectively, over the year before, with a total production nearly double prewar. Output increased also in Panama. A pronounced drop occurred in the acreage of the Dominican Republic, however, and production in Cuba is reported to have decreased slightly.

### FATS AND OILS

#### BRAZIL'S OILSEED

SITUATION REVISED 1/

Brazil's 1949 production of edible oilseeds, in terms of oil, is now believed to be slightly larger than in 1948, but that of inedible oilseeds considerably smaller, according to recently revised figures reported by the American Embassy, Rio de Janeiro.

BRAZIL: Production specified oilseeds, 1949  
with comparisons

Commodity	Average 1935-39	1947	1948 <u>1/</u>	1949 <u>1/</u>
	Short tons	Short tons	Short tons	Short tons
Cottonseed <u>2/</u> ...	987,440	622,800	<u>3/</u> 595,240	<u>3/</u> 749,560
Castor beans...	148,000	<u>3/</u> 182,450	<u>3/</u> 260,810	<u>3/</u> 198,410
Babassu kernels,	46,250	70,900	77,160	66,140
Peanuts..... <u>4/</u>	14,760	<u>3/</u> 55,170	<u>3/</u> 154,000	<u>3/</u> 115,740
Oiticica seed... <u>5/</u>	23,900	26,090	66,140	<u>3/</u> 5,500
Flaxseed.....	-	14,330	22,050	-
Sesame seed <u>6/</u> ...	-	2,120	6,320	4,870
Soybeans <u>7/</u> ....	-	13,230	19,840	27,560
Tucum nuts..... <u>8/</u>	3,108	11,020	7,170	<u>3/</u> 16,530
Tung nuts.....	430	<u>3/</u> 12,490	<u>3/</u> 15,790	<u>3/</u> 17,640
Ouricuri nuts...	3,540	3,030	3,310	2,200

1/ Unofficial estimates except as noted. 2/ Commercial production.

3/ Revised. 4/ 1939 only. 5/ 1937-39. 6/ Official state estimate for Sao Paulo only. 7/ Rio Grande do Sul only. 8/ Exports.

American Embassy, Rio de Janeiro

1/ A more extensive statement may be obtained from the Office of Foreign Agricultural Relations.

Oilseed production

Based on information which has become available since the publication of the Brazilian fats and oils situation in Foreign Crops and Markets of August 29, 1949, a number of important revisions have been made in the 1948 and 1949 oilseed production figures. This year's peanut crop is now unofficially estimated at 116,000 short tons compared with the revised preliminary official figure of 154,000 tons in 1948. Cottonseed figures for 1948 and 1949 have been revised upward to 595,000 and 750,000 tons, respectively. The production situation with respect to soybeans and sesame seed remains as previously reported in Foreign Crops and Markets.

Castor bean production in 1949 is tentatively estimated at 198,000 tons or 24 percent smaller than the 260,000 tons (revised) harvested in 1948. Last year's crop exceeded by over 56,000 tons the previous production record of 1944.

The 1949 crop of oiticica seed has turned out to be much smaller than the poor crop which was previously expected and is now unofficially estimated at 6,000 tons. This represents only a small fraction of last year's record crop of 66,000 tons. The cyclical nature of oiticica production accounts for this year's small output.

It is now believed that the tucum crop will reach 16,500 tons, or more than double the 1948 output.

Significant upward revisions now indicate that tung production in 1949 may amount to 18,000 tons, compared with 16,000 and 12,500, the revised figures for 1948 and 1947, respectively.

Regarding babassu kernels and flaxseed, the production situation remains substantially as recently published in Foreign Crops and Markets. As a result of weak demand from abroad and falling prices, collection of babassu kernels is not expected to exceed 66,000 tons, or some 11,000 tons less than the quantity collected last year. Estimates are as yet not available for the 1949-50 flaxseed crop. The 1948-49 harvest amounted to over 22,000 tons (787,360) bushels, a 50 percent increase over the 1948 crop.

Vegetable oil production

It is believed that total production of all vegetable oils in 1948 amounted to approximately 165,000 tons or 11,000 tons less than recently reported. This decrease is entirely accounted for by a reduction in estimated peanut oil output.

Production of edible oils is expected to be about 5 percent greater than the estimated 99,000 tons of 1948. Although peanut oil output is expected to drop some 8,800 tons, cottonseed oil will probably increase by 13,000 to 16,500 tons. The over-all supply situation of edible oils is such as to warrant the expectation that 11,000 to 16,500 tons of peanut oil, or the equivalent in peanuts, may be available for export in late 1949 or early 1950.



incredible oil production this year is not expected to fall below 55,000 tons compared with approximately 66,000 in 1948. Oiticica oil will probably amount to only 2,000 tons, but babassu, castor, linseed, and tung oils are all likely to show increases over 1948.

### Market situation

The market for the Brazilian oilseeds and oils which enter export trade has been adversely affected during the past year by the marked improvement which has occurred in the world vegetable oil situation. Prices of virtually all such oilseeds and oils have declined, but this trend has not been accompanied by a similar trend in prices of agricultural products in general or in production and living costs.

### BRAZIL: Exports of specified oilseeds and oils, January-May 1949 with comparisons

Commodity	Average	1948 1/	January-May	
	1935-39		1948 1/	1949 1/
	Short	Short	Short	Short
	tons	tons	tons	tons
Cottonseed.....	82,562	0	0	0
Cottonseed oil.....	24,842	11,132	2,949	4,258
Castor beans.....	120,082	180,243	57,840	55,827
Castor oil.....	332	5,745	1,827	3,095
Babassu kernels.....	31,254	35,015	16,799	11,585
Babassu oil.....	215	2,034	931	1,166
Oiticica oil.....	4,292	12,598	5,351	3,349
Tucuma nuts.....	3,108	6,080	5,152	13,446
Murumuru nuts.....	1,949	0	0	0
Murumuru tallow.....	0	661	276	0
Copaiba oil.....	2/ 179	53	17	32
Ucuata tallow.....	453	7	0	0
Ouricuri nuts.....	1,179	14	0	0
Peanuts.....	8	37	0	6,854
Peanut oil.....	0	0	0	9,201
Sesame.....	306	110	0	2,829
Soybeans.....	829	3/	3/	3/
Unspecified oilseeds.....	67	9	8	6
Unspecified oils.....	3	2,425	1,262	394

1/ Preliminary. 2/ 1937-39. 3/ Not separately classified.

American Embassy, Rio de Janeiro.

The total volume of exports of oilseeds and oils was greater during the first 5 months of 1949 than during the corresponding months of 1948, mainly as a result of substantial exports of peanuts and peanut oil from last year's record crop.



It is reported that, with the exception of tucum nuts, demand for oleaginous products has been weak, and the volume of exports has been maintained only by reducing prices.

#### U.K. INCREASES DOMESTIC SOAP RATION

The Ministry of Food of the United Kingdom has announced that, effective November 6, 1949, the beginning of a ration period, the domestic soap ration will be increased. Since this is made possible by greater supplies of inedible oils and fats from the colonies, it will involve no dollar expenditures. At the same time, soap allowances to those non-domestic users whose allowances were reduced in 1946 will be increased by one-twelfth. This will restore the rate of allowances which the non-domestic users received before 1946.

It is also announced that as a result of an increase in the production of synthetic detergents, price and labelling controls on soap substitutes packed for retail sale will be removed.

#### NIGERIAN PALM OIL AND PALM KERNEL EXPORTS

Exports of palm oil and palm kernels from Nigeria during the first 6 months of 1949 totaled 82,200 and 185,400 short tons, respectively. Monthly palm oil shipments averaged 13,700 tons compared with 15,350 in 1948, showing a decline of 11 percent. Average monthly palm kernel exports of 30,900 tons were only 3 percent less than the 31,900-ton average of last year.

The major portion of the January-June 1949 exports was consigned to the United Kingdom. Under an agreement, effective January 1, 1950, the United Kingdom will purchase Nigeria's entire exportable surplus of vegetable oilseeds and oils for a period of 3 years. This is expected to supply the United Kingdom with raw materials equivalent to 560,000 tons of oil and fat per year, representing about 40 percent of Britain's present usage of edible oils and 48 percent of the technical oils.

Efforts are being made by both Government and private enterprise in Nigeria to encourage the use of machines instead of manual methods of extracting oil in an effort to increase the quantity of oil available for export and to improve the quality. Most of the oil extracted by crude methods is so inferior that it can be used only in soap manufacturing.

NIGERIA: Palm oil and palm kernel exports,  
January-June 1949 with comparisons

(Short tons)

Country	Palm oil			Palm kernels			
	Average:			Average:			
	1935	1947	1948	1935	1947	1948	January
	and			and			June
	1938			1938			1949 1/
Canada.....	6,725	1,476	3,360	-	-	-	-
United States..	16,281	1,087	1,902	5,239	-	-	-
Denmark.....	-	-	-	5,398	2,614	6,720	-
Germany.....	8,189	-	-	117,142	-	-	-
Italy.....	12,316	-	-	1,779	-	-	-
Netherlands....	1,447	-	-	66,486	-	-	-
Norway.....	226	-	-	-	2,647	4,480	-
Poland & Danzig	-	-	-	10,226	-	-	-
United Kingdom.	93,454	136,488	146,720	143,005	349,192	355,212	-
Gold Coast.....	466	675	-	-	-	-	-
Egypt.....	-	1,186	2,240	-	-	-	-
Union of South	-	-	-	-	-	-	-
Africa.....	1,532	150	-	-	-	-	-
Others.....	972	6	30,090	609	-	16,364	-
Total.....	141,608	141,068	184,312	82,221	349,884	354,453	382,776
							185,366

1/ Preliminary. Country breakdown not available.

American Consulate General, Lagos.

It was felt that a gradation of price based on quality would be the best incentive for attaining the desired goal and prices for the year 1949 were published in January as follows:

Commodity	Pounds per			U. S. Dollars per short ton	
	long ton			Prior to	After devaluation
				devaluation	
	£	s.	d.		
Palm kernels	26			\$ 93.58	\$ 65.00
Palm oil:					
Grade 1	42	15	0	153.85	106.88
Grade 2	37	2	6	133.62	92.81
Grade 3	33	0	0	118.78	82.50
Grade 4	29	12	6	106.62	74.06
Grade 5	26	5	0	94.47	65.63

1/ Converted on the basis of 1 Pound = \$4.0313

2/ Converted on the basis of 1 Pound = \$2.80

#### GERMAN SOYBEAN MILL BEGINS OPERATIONS

A soybean processing mill in Bremen, owned by the Soya-Gesellschaft M.B.H. (Soya Company), is expected to begin operations sometime this month according to the American Consulate there. Soybeans and corn will be processed into valuable and inexpensive food products for general consumption, primarily albumen and edible oil. The present capacity of the plant permits the monthly processing of 300 tons of soybeans and 120 tons of corn, but it is expected that the capacity will be increased later.

#### U.K. INITIATES TUNG NUT PROJECT IN EAST AFRICA

The United Kingdom, through its Colonial Development Corporation, has under way a tung nut project in Northern Nyasaland, a British protectorate in Southern Africa. Plans are to develop the Vipya Plateau which lies at an altitude of 7,000 feet on the west coast of Lake Nyasa. This part of Nyasaland, almost uninhabited by Europeans, has about 50,000 natives.

The Development Corporation, whose responsibility it is to arrange for the transformation of the Plateau's virgin bush to an area producing tung oil for Britain, already has received urgently needed heavy equipment. The problems of moving the machinery over land and then by lake steamer were so great that the British Overseas Air Corporation was engaged to transport part of the equipment and supplies in two flying boats.

#### INDIAN GOVERNMENT BANS IMPORTS OF COCONUT OIL

The Indian soap industry is faced with a critical shortage of coconut oil because of a recent action by the Government of India tightening the control on imports. With domestic supplies of coconut oil short of meeting the needs of the soap industry, the Government has imported annually since 1942 about 55,000 tons of copra and coconut oil from Ceylon for distribution among the soap manufacturers. In August 1948, however, the Governments of India and Ceylon failed to reach an agreement and the trade was opened to private negotiators who arranged for supplies from Malaya at lower prices for the first 8 months of 1949.

The recent action of the Indian government has been to revise the list of products which can be imported under a general open license. Coconut oil is not included in the list. Consequently, imports will be negligible unless the Government sees fit to grant special permission to import coconut oil.

Domestic prices for coconut oil have resumed their upward climb following the issue of the revised open license list. In Bombay the price of imported oil rose by nearly 100 rupees per long ton (\$27 per short ton, converted at the rate prevailing prior to the recent devaluation) and in Cochin the price went to more than 2,000 rupees (\$540). Since coconut oil is an important raw material in the manufacture of soap, the output of soap may have to be curtailed with a consequent rise in soap prices.

NOTE:

Separate copies of the article "World Flaxseed Production Returns to Prewar Average" published in Foreign Crops and Markets, September 26, 1949, may be obtained from the Office of Foreign Agricultural Relations.

TROPICAL PRODUCTS

COLOMBIA INCREASES COFFEE  
EXPORT MINIMUM PRICES

The Special Coffee Committee of the Colombian Office of Exchange Control issued Resolution No. 1 on September 16, 1949, increasing export minimum prices on Colombian coffee from \$47.75 and \$48.00 per 70 kilogram bag to \$50.00, according to the American Embassy in Bogota. On September 19, 1949, the Colombian National Federation of Coffee Growers informed its branch offices that new higher guaranteed interior buying prices would become effective as of that date. This increase in guaranteed interior buying prices fixed by the Federation is in line with the new export minimum prices on coffee.

The new export minimum prices represent increases of \$2.00 per 70 kilo bag (approximately 1.3 cents per pound) for Medellin, Armenia, and Manizales types and increases of \$2.25 per bag (about 1.5 cents per pound) for coffee from Girardot, Bogota, and Bucaramanga. The last increase in export minimum prices for coffee occurred on December 11, 1948, when the prices were raised from \$0.65 to \$1.60 per 70 kilo bag. Legislation establishing minimum prices on coffee exports was passed by Colombia in April 1947. By refusing to allow exporters to sell coffee abroad at less than the fixed prices, the Office of Exchange Control sought to check the rapidly mounting unfavorable balance of trade. Coffee was selected for control because it accounts for more than 80 percent of Colombia's dollar income.

The increases in the minimum buying prices set by the National Federation of Coffee Growers on September 19, 1949, range from 4.00 to 6.25 pesos per "carga" of 125 kilograms (about .7 cents to 1.2 cents per pound) for "pergamino" or unmilled coffee, and the weighted average increase amounts to about 5.80 pesos per carga (approximately 1.1 cents per pound). The last increases in guaranteed interior buying prices were made by the Federation on December 9, 1948. These increases averaged about 2.5 cents per pound.



During recent months, prices of Colombian coffee in the United States have averaged about \$2.00 per 70 kilo bag higher than Colombia's minimum export prices. Coffee exporters have been registering sales at minimum prices, exchanging this amount at the legal exchange rate of 1.95 pesos to the dollar, and have been exchanging those dollars received in excess of minimum prices through unofficial channels at about 3.30 or 3.40 pesos per dollar. They have been required to exchange in the Bank of the Republic or another authorized bank at the official rate of exchange the dollars received from registered sales. When Colombian coffee was selling in the United States for less than export minimum prices, exporters registered sales at minimum prices and purchased dollars at higher unofficial rates to make up the deficit in dollars they were required to exchange at official rates.

On September 15, 1949, the Office of Exchange Control sent the following message to its branches throughout Colombia:

"CT81 In regard to coffee contracts registered in July and August, you are to insist immediately on the presentation of the original contracts made abroad, other than telegrams, in order to accurately verify the registered prices. You should not accept contracts made with subsidiary firms. If the prices coincide, the contracts may be revalidated. In cases to the contrary, you are to retain them for transmittal to the Prefecture of the Control Office. The time period for the presentation terminates on the twentieth of this month. Contracts that have not been revalidated in accordance with these instructions will be suspended provisionally while the Prefecture decides on the case. It is urged that you act promptly Acknowledge receipt."

The reason given by the Director of the Office of Exchange Control for the revalidation of registrations is that during the months of July and August and the first fifteen days of September registered sales of coffee were greater than 2,000,000 bags of 70 kilos each. It is the belief of the Control Office that of these registrations only about 1,000,000 bags were actually sold, and that new sales made should be registered at the true prices existing when those sales are made.

Because of the protests of coffee exporters, the above-quoted instructions were amended so that registrations need not be revalidated until October 20, 1949. If the exporter can prove that the coffee covered by registrations is en route to a seaport or is at a seaport on October 20, sales contracts need not be presented to verify the prices given on the registrations.



AGRICULTURAL MACHINERY AND SUPPLIES

**INCREASED FERTILIZER SUPPLIES  
IN BELGIUM AND LUXEMBOURG**

Although Belgian production of nitrogenous fertilizers has been declining from the high point reached in March when 17,116 short tons of nitrogen were produced, stocks of nitrogenous fertilizers available for agriculture have been rising and were estimated to be worth 500 million francs at the beginning of September (US\$10 million at the new exchange rate).

July production of more than 14,000 tons of nitrogen was only about 4 percent less than June production, but low July exports of only 6,300 tons, compared with 12,284 tons in June, largely accounted for the increasing stocks. Export sales are affected by increased competition in the European market from other producing countries. Belgian consumption continues at the annual rate of about 88,000 short tons of nitrogen.

**BELGIUM-LUXEMBOURG:** Production, exports, imports, and availability of nitrogenous fertilizers, July 1949, with comparisons

(In terms of nitrogen)

Period	Production	Exports	Imports	Available for domestic farm use 1/
	Short tons	Short tons	Short tons	Short tons
Monthly average:				
1936-38.....	2/ 5,787	793	483	2/ 5,477
1948.....	14,396	6,714	193	7,875
1949:				
January.....	13,434	8,206	-	5,228
February.....	15,290	6,195	-	9,095
March.....	17,116	5,300	-	11,816
April.....	15,946	9,623	2	6,325
May.....	16,471	8,737	-	7,734
June.....	15,019	12,284	-	2,735
July.....	14,387	6,300	-	8,087

1/ From current production. These figures take no account of stocks.

2/ Estimated.

American Embassy, Brussels.

Production of phosphatic fertilizers has also dropped from the March peak. Estimated Belgian production of superphosphate and Belgo-Luxembourg production of basic slag which together totaled 40,154 short tons of phosphate ( $P_2O_5$ ) in March, declined gradually to 22,383 tons in July. For the same months net exports of  $P_2O_5$  dropped from 33,510 short tons to 15,763 tons; as the result of decreasing exports, production available for domestic farm use in June and July was at about the same level as in 1948.

BELGIUM-LUXEMBOURG: Production, net exports, and availability of phosphatic fertilizers, July 1949, with comparisons

(In terms of phosphate-- $P_2O_5$ )

Period	Production		Net exports <u>1/</u>	Available for domestic farm use <u>2/</u>
	Basic slag	Super-phosphates		
	Short tons	Short tons	Short tons	Short tons
Monthly average:				
1938.....	11,850	<u>3/</u> 10,196	16,094	<u>3/</u> 5,952
1948.....	19,821	<u>4/</u> 6,951	18,519	8,253
1949:				
January.....	21,823	<u>4/</u> 8,456	24,802	5,477
February....	21,587	<u>4/</u> 9,000	27,558	3,029
March.....	25,428	<u>4/</u> 14,726	33,510	6,644
April.....	22,399	<u>4/</u> 11,888	32,849	1,438
May.....	20,826	<u>4/</u> 7,887	28,440	273
June.....	20,630	<u>4/</u> 5,862	16,865	9,627
July.....	17,659	<u>4/</u> 4,724	15,763	6,620

1/ Average monthly imports were only about 1,673 short tons of  $P_2O_5$  in 1938 and have been insignificant since the war. Basic slag is the most important item exported. 2/ From current production. These figures take no account of stocks. 3/ Estimated. 4/ Assuming that manufacturers reporting to Comptoir des Superphosphates account for about two-thirds of Belgian superphosphate production.

American Embassy, Brussels.

From April through July, Belgium had net potash imports totaling over 67,000 short tons of  $K_2O$ . The Belgian supply of potash fertilizers is thus much greater than at any time since liberation. The annual rate of application of potash fertilizers has been estimated at about 55,000 to 65,000 short tons of  $K_2O$ , but this rate probably will be increased to over 80,000 tons in view of the larger availability.

## PESTICIDES HAVE IMPORTANT USES IN PARAGUAY

DDT has been the most important new organic pest-control product introduced into Paraguay to date, according to the American Embassy at Asuncion, despite the fact that its first use in the public interest had unfortunate consequences.

The Servicio Tecnico Inter-Americano de Cooperacion Agricola (STICA), a cooperative organization for the study and improvement of Paraguayan agriculture jointly financed by the United States and Paraguayan Governments, imported 100 pounds of 50 percent DDT powder late in 1947 to combat a grasshopper invasion on an experimental basis. In the proportion of 4.4 pounds of DDT (50 percent) in 22 pounds of kaolin, the powder was distributed by truck-mounted blowers at the rate of 22 to 27 pounds per acre. Claims were made that cattle and mules in the area died from eating the insecticide and no more DDT has been used by STICA.

All DDT entering Paraguay has come from the United States. Without STICA's support, relatively little DDT will be used for agricultural work. There are only a few hospitals and institutions which might use it, so most of it is used in private homes. The greater part is imported in retail-sized packages and that imported in bulk or large packages is usually broken down for retail sales. Window screens and screen doors are almost unknown in Paraguay. Windows are kept open during most of the year because of the extreme heat and the desire to catch any wind that may blow. With the heat comes hordes of insects; consequently a home insecticide is likely to be needed frequently. It is reasonable to suppose that, unless other products such as chlordane prove more satisfactory, Paraguayans would use at least twice the amount of DDT as they have in the past if it were readily available.

Gammexane has been used in Paraguay by STICA since 1947. Fifty five tons of gammexane imported from the United States has been used against grasshoppers and cotton pests (Alabama argillacea, Laphygma spp., Prodenia spp.). STICA believes that gammexane is the best of the new insecticides for agricultural use and plans to use it against Gargaphia Torresi, an aphid-like fly which appeared last year in Paraguay and wrought havoc in the cotton fields. For this purpose STICA has ordered from the United States 220 short tons of 50 percent gammexane, 6 percent isomer gamma. Three percent of gammexane may be mixed with 5 percent of DDT in kaolin for use against Gargaphia flies. This would be STICA's first use of DDT since the mishaps of the 1947-48 grasshopper campaign.

STICA has recommended to the Bank of Paraguay (whose Agricultural Department distributes insecticides) that it authorize the importation of 660 short tons of gammexane during the 3 years, 1950-52.

STICA has experimented with chlordane against crop pests in general, having imported 10 gallons of 74 percent emulsified concentrate and 100 pounds of pure concentrated powder. Chlordane has been found particularly effective against ants, and against weevils in corn, cotton, and grains. STICA thinks it may prove useful against the Gargaphia fly. Only experimental quantities have been imported so far by STICA, but the Bank of Paraguay has been requested to authorize the importation of 110 short tons per year for the 3 years, 1950-52.

STICA has imported 200 pounds of 2,4-D, and has experimentally applied it against a species of ironweed (Vernonia chamaedrya) in pasture land in southern Paraguay, finding it extremely effective. The Bank of Paraguay has not yet been requested to authorize imports, pending further cost studies. STICA plans to experiment with 2,4-D in rice and sugar cane, but no steps to this end have yet been taken.

STICA is also experimenting with toxaphene against aphids, green cutworms, and grasshoppers. No conclusions have been reached as yet. The only phosphate used in Paraguay was tetraethyl pyrophosphate. STICA imported 25 gallons and found it effective against aphids, but so toxic to humans that its use was abandoned. There is no prospect for the local manufacture of new organic pest-control products.

#### SOUTHERN RHODESIA HAD 1,155 FARM TRACTORS AT END OF 1948.

No census of farm equipment has been taken in Southern Rhodesia except for tractors. The number of tractors reported in use on farms at the end of 1948 was 1,155, of which 989 used power paraffin (kerosene), 129 used diesel oil, and 37 used gasoline. The importation of 1,376 tractors during the first half of 1949 would indicate that the number now on farms may be substantially greater than at the time of the census.

The amount of machinery available has been increasing since the end of the war. Imports of farm machinery and equipment increased every year from 1944 to 1948 and it appears that the 1949 imports may be nearly double those of 1948. The most important items imported were tractors, plows, cultivating implements, and harvesting machinery, in that order.

There is no available index of prices paid for agricultural implements in Southern Rhodesia. There is, however, an index of prices paid for requisites such as spare parts, which is prepared quarterly. The latest information available is for the quarter ending July 31, 1949 and is calculated for four types of farmers. Taking prices of August 1939 as 100, the July 1949 index stands at 149 for corn farmers, 151 for wheat farmers, 152 for tobacco farmers, and 139 for dairy farmers.



COTTON AND OTHER FIBERCOTTON-PRICE QUOTATIONS  
ON WORLD MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, and the  
U. S. gulf-port average

Market location kind, and quality	Date 1949	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
<u>Alexandria</u>		: Kantar	:	:	:
Ashmouni, Good.....	10-6	: 99.05 lbs.	: Tallari	: 59.33	: 34.39
Ashmouni, F.G.F.....	"	: "	: "	: 57.33	: 33.23
Karnak, Good.....	"	: "	: "	:	(not: quoted)
Karnak, F.G.F.....	"	: "	: "	:	(not: quoted)
<u>Bombay</u>		: Candy	:	:	:
Jarila, Fine.....	"	: 784 lbs.	: Rupee	: 1/ 620.00	: 16.46
Broach Vijay Broach.....	"	: "	: "	: 1/ 690.00	: 18.32
<u>Karachi</u>		: Maund	:	:	:
4F Punjab, S.G., Fine...	10-5	: 82.28 lbs.	: "	: 68.00	: 24.93
289F Sind, S.G., Fine...	"	: "	: "	: 73.00	: 26.77
289F Punjab, S.G., Fine..	"	: "	: "	: 80.00	: 29.33
<u>Buenos Aires</u>		: Metric ton	:	:	:
Type B.....	10-6	: 2204.6 lbs.	: Peso	: 1/ 4000.00	: 37.55
<u>Lima</u>		: Sp. quintal	:	:	:
Tanguis, Type 5.....	10-5	: 101.4 lbs.	: Sol	: 375.00	: 36.66
Pima, Type 1.....	"	: "	: "	: 450.00	: 43.99
<u>Recife</u>		: Arroba	:	:	:
Mata, Type 4.....		: 33.07 lbs.	: Cruzeiro	:	:
Sertao, Type 5.....	10-6	: "	: "	: 210.00	: 34.55
<u>Sao Paulo</u>		:	:	:	:
Sao Paulo, Type 5.....	"	: "	: "	: 197.00	: 32.41
<u>Torreón</u>		: Sp. quintal	:	:	:
Middling, 15/16".....	"	: 101.4 lbs.	: Peso	: 208.00	: 23.73
<u>Houston-Galveston-New</u>		:	:	:	:
Orleans av. Mid. 15/16".	"	: Pound	: Cent	: XXXXX	: 29.23

Quotations of foreign markets reported by cable from U.S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

1/ Nominal.

## AUSTRIAN COTTON TEXTILE PRODUCTION INCREASES

Cotton textile production in Austria continued to increase throughout the 1948/49 season according to Richard A. O. Schwartz, Assistant Agricultural Attache, American Embassy, Vienna. Due to larger supplies of raw cotton mainly from imports under ECA in addition to adequate supplies of fuel and electric power which had handicapped production in the earlier seasons, Austrian cotton consumption increased to 80,000 bales (480 pounds net) in the 1948/49 season as compared to 63,600 bales in 1947/48.

However, the Austrian mills are still far under the prewar average when the industry consumed 170,000 bales annually. The Austrian industry estimates, on the basis of spindles in operating condition, the industry, if utilized fully on a one-shift basis, would require about 130,000 bales of raw cotton and cotton-type rayon staple fiber. In the 1948/49 season consumption of raw cotton and rayon staple fiber was reported at 112,000 bales (raw cotton equivalent).

From the end of World War II until the inception of the ECA program processing contracts were the major source of raw cotton supplies for the Austrian cotton industry. Under these contracts foreign firms supplied the Austrian mills with raw cotton in exchange for returned yarns and woven goods. Austrian mills were thus permitted to retain a portion of the raw cotton for their own use as payment for the processing. After the beginning of the ECA program the importance of processing contracts as a source of raw cotton rapidly declined and during the last quarter of the 1948/49 season amounted to less than 10 percent of the total cotton processed.

Prospects for the revival of business under the processing contracts during the current season seem rather poor. During the past season terms of processing contracts became progressively less favorable to the Austrian mills and have reached a point where the high cost Austrian industry can no longer continue such arrangements profitably.

Austria is also attempting to obtain raw cotton by means of bilateral trade agreements. In view of the country's increasing industrial production and of a growing variety of potential barter goods, it seems likely that imports of raw cotton under these arrangements may increase to some extent during the current season. In this connection it may be noted that on July 22, 1949, a trade and payments agreement was signed between Austria and India, which is effective until June 30, 1950, which among other goods provides for Indian exports of 6,900 bales of short-staple cotton to Austria. However, even though there appears to be limited possibilities for an increase of imports under trade agreements Austrian mills will have to rely mainly on ECA financing to secure raw cotton if their production is to be maintained at present levels.

Total imports of raw cotton in the 1948/49 season have been reported at 94,000 bales as compared to 55,000 bales in 1947/48. However, in the 1947/48 season the United States furnished only 560 bales of the total Austrian imports while in 1948/49 Austria imported, for domestic consumption, 45,200 bales.

Imports from Brazil (partly for Swiss account) and from Switzerland declined from 26,800 bales in 1947/48 to about 5,200 bales in 1948/49 due largely to the decline in business done under processing contracts.

Production of rayon staple fiber had shown a remarkable increase in 1947 but since May of 1948 has stabilized at a monthly average production of around 2.6 million pounds. This is the equivalent of 6,000 bales of raw cotton per month. Production of rayon staple fiber of all types was reported at 31.6 million pounds in the 1948/49 season and 11.3 million pounds in 1947/48.

Although a large portion of the increased production of rayon staple fiber was exported in exchange for essential chemicals and other supplies needed by fiber producers, the supply situation of staple fiber was considerably improved over the preceding season. Mill consumption of cotton-type and synthetic staple fiber increased from 7.5 million pounds (raw cotton equivalent of 17,500 bales) in 1947/48 to 13.7 million pounds in 1948/49 (raw cotton equivalent of 32,000 bales).

Although production of rayon is now far above the prewar level it has reached only one-third of the war-time level when production of rayon staple fiber was reported at 65 million pounds and rayon filament yarn at 7 million pounds annually from 1941 to 1943.

#### SEEDS

#### VEGETABLE AND FLOWER SEED RESEARCH EXPANDED IN THE UNION OF SOUTH AFRICA

Research work in connection with the production of vegetable and flower seeds is being undertaken by the South African Division of Horticulture on a farm near Pretoria recently acquired by the Government. This is an expansion of the work already being done on vegetables and vegetable seeds by the Onderstepoort Laboratories nearby.

In order to protect the rising industry, import controls have restricted the importation of vegetable and flower seeds to a minimum during the past year, and the inauguration of basic research work now will have a significant effect on this trade in the future.

LIVESTOCK AND ANIMAL PRODUCTSWORLD APPAREL WOOL  
STOCKS LOWER

World stocks of apparel wool at the beginning of the 1949-50 selling season are estimated at nearly 2.8 billion pounds by the Office of Foreign Agricultural Relations. This is a decrease of about 900 million pounds from last year and approximately the same as a forecast released by the International Wool Study Group in London late last year.

The proportion of wool stocks held by government organizations (J.O. stocks and C.C.C. stocks) to total world stocks is the lowest since the war. This proportion decreased from approximately 48 percent on July 1, 1947 to 36 percent on July 1, 1948, and down to 25 percent on July 1, 1949. The actual quantity now held is only 698 million pounds out of a world total of 2.8 billion pounds.

Since the war the rate of world consumption has been such that approximately .8 billion pounds of wool have been needed in addition to the current clip. Slackening of demand and mill activity in a number of countries indicates that the postwar peak in consumption has been reached. Any decrease in consumption will tend to lessen the gap between world production and consumption.

Stocks held by the trade are at dangerously low levels, considering the rate of consumption. Price resistance to finished goods encountered during the past year, together with the constant threat of devaluation, caused most operators to work at the lowest level of raw materials possible.

Total world stocks of apparel wool are still somewhat above prewar, but are not excessive considering the general level of wool consumption. In view of the more stable monetary exchange situation at the present time, efforts may be expected to bring commercial stocks in consuming countries to a more normal working level.



WOOL STOCKS: World stocks of apparel wool, greasy basis at beginning of 1949-50 season with comparisons 1/

Country	1947-48		1948-49		1949-50 (Preliminary)	
	Govt.	Total	Govt.	Total	Govt.	Total
	owned or		owned or		owned or	
	sponsored <u>2/</u>		sponsored <u>2/</u>		sponsored <u>2/</u>	
	Million	Million	Million	Million	Million	Million
	pounds	pounds	pounds	pounds	pounds	pounds
Canada	--	3/	--	42	--	44
United States	440	820	177	4/ 862	91	4/ 456
Austria	--	5/	--	6	--	6
Belgium	--	5/	--	57	--	51
Czechoslovakia	--	5/	--	20	--	16
France	--	5/	--	101	--	113
Germany	--	5/	--	60	--	40
Greece	--	5/	--	8	--	8
Italy	--	5/	--	118	--	110
Netherlands	--	5/	--	13	--	18
Norway	--	5/	--	8	--	5
Poland	--	5/	--	25	--	22
Spain	--	5/	--	30	--	35
Sweden	--	5/	--	30	--	25
Switzerland	--	5/	--	8	--	8
United Kingdom	330	570	277	680	194	568
Soviet Union	--	5/	--	100	--	105
Japan	--	5/	--	20	--	35
Argentina <u>6/</u>	--	270	--	150	--	225
Brazil <u>6/</u>	--	5/	--	6	--	4
Chile <u>6/</u>	--	5/	--	6	--	7
Uruguay <u>6/</u>	--	70	--	43	--	66
Union of South Africa	70	100	28	38	1	4
Australia	880	1,150	672	772	343	447
New Zealand	280	390	173	247	69	149
Others and afloat	--	800	--	200	--	200
Total	2,000	4,170	1,327	3,650	698	2,767

1/ Season begins July, otherwise specified. 2/ Refers to the Joint Organization in the United Kingdom and the Dominions and the Commodity Credit Corporation in the United States. 3/ Included in the total. 4/ For the United States stocks are reported as of April 1. These have been adjusted by adding current year clip and imports April-June and subtracting consumption and exports. 5/ Included with others. 6/ Stocks are as of October 1.

OFAR-Livestock and Wool Division 10/5/49



